

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

REVIEW REPORT

OF

CIVIL RIGHTS COMMISSION

STATE OF INDIANA

April 1, 2005 to March 31, 2007



FILED
05/14/2008

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AGENCY OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Director	Judge Gregory K. Scott	02-23-05 to 01-11-09
Chair	Alpha Blackburn	07-01-04 to 06-30-08
Chair of the Dr. Martin Luther King, Jr., Indiana Holiday Commission	Judge Tanya Walton Pratt	07-01-04 to 09-30-07
Chair of the Dr. Martin Luther King, Jr., Indiana Holiday Commission	Clayton Graham	10-01-07 to 06-30-08



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE CIVIL RIGHTS COMMISSION

We have reviewed the receipts, disbursements, and assets of the Civil Rights Commission for the period of April 1, 2005 to March 31, 2007. The Civil Rights Commission's management is responsible for the receipts, disbursements, and assets.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the receipts, disbursements, and assets. Accordingly, we do not express such an opinion.

Financial transactions of this office are included in the scope of our audits of the State of Indiana as reflected in the Indiana Comprehensive Annual Financial Reports.

Based on our review, nothing came to our attention that caused us to believe that the receipts, disbursements, and assets of the Civil Rights Commission are not in all material respects in conformity with the criteria set forth in the Accounting and Uniform Compliance Guidelines Manual for State Agencies, and applicable laws and regulations, except as stated in the review comments-

STATE BOARD OF ACCOUNTS

October 24, 2007

CIVIL RIGHTS COMMISSION
REVIEW COMMENTS
MARCH 31, 2007

FIXED ASSET INVENTORY

The fixed asset inventory of the Civil Rights Commission was not complete as to retirements.

For auditing purposes, agencies must also maintain a record of all additions and retirements to their asset control system. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 10)

SPECIAL DISBURSING OFFICER ACCOUNT

The Civil Rights Commission's Special Disbursing Officer (SDO) operating advance and bank account has not been reconciled since July 2006. Reconciliations were not independently reviewed and approved. A net adjustment of \$1,033 has been carried on the reconciliation since July 2005. There were also several items listed on the reconciliations as outstanding without sufficient detail, such as the check number or date.

We were not provided with bank statements or reconciliations prior to July 2005. A check register containing a running balance was also not presented for review. While we conducted this review, current staff prepared a compilation of checks by utilizing reimbursement vouchers. Based on this listing, two checks were in excess of the single purchase limit. There were several gaps for which current staff could not determine the detail for the checks, including the payee, amount, or date.

Two reconciliations for the SDO fund must be performed each month. The bank statement for the checking account must be reconciled to the check register. Also, the check register balance must be reconciled to the SDO advance. These reconciliations must be formally documented. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 7)

On a monthly basis, this reconciliation should be documented and, if possible, independently verified. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 7)

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, etc., must be made available for audit to provide supporting information for the validity and accountability of monies received or disbursed. Documents must be filed in such a manner as to be readily retrievable or otherwise reasonably obtainable, upon request, during an audit. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 1)

Documents should be retained in accordance with a retention schedule approved by the Oversight Committee on Public Records. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 15)

The single purchase limit for the SDO fund should not be exceeded, except for the payment of utility bills. Purchases or payments should not be artificially divided to circumvent the limit. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 7)

CIVIL RIGHTS COMMISSION MEETING MINUTES

The meeting minutes for the Civil Rights Commission for two months were not presented for review.

CIVIL RIGHTS COMMISSION
REVIEW COMMENTS
MARCH 31, 2007
(Continued)

Indiana Code 22-9-1-5 provides that the Commission shall hold one regular meeting each month.

Documents should be retained in accordance with a retention schedule approved by the Oversight Committee on Public Records. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 15)

OPEN DOOR LAW – DR. MARTIN LUTHER KING, JR., INDIANA HOLIDAY COMMISSION

The Dr. Martin Luther King, Jr., Indiana Holiday (MLKJ) Commission's primary role is to organize the statewide MLKJ celebration in January of each year. Of the meeting minutes provided for our review period, a quorum was only attained once. No votes were recorded in any of the meeting minutes provided. With no votes, no authorized final actions were taken for at least the 2006 and 2007 annual celebrations, however, both celebrations occurred. During the meetings, the MLKJ Commission received information, deliberated, made recommendations, and made decisions.

Additionally, there were meetings referenced for which we were not provided with minutes. There was no indication that the meetings were cancelled or rescheduled.

Documents should be retained in accordance with a retention schedule approved by the Oversight Committee on Public Records. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 15)

According to Indiana Code 4-23-24.1-6 version a, eight (8) members constitutes a quorum of the Dr. Martin Luther King Jr., Indiana Holiday Commission.

Indiana Code 5-14-1.5, better known as the Open Door Law, states in section 1 that: "In enacting this chapter, the general assembly finds and declares that this state and its political subdivisions exist only to aid in the conduct of the business of the people of this state. It is the intent of this chapter that the official action of public agencies be conducted and taken openly, unless otherwise expressly provided by this statute, in order that people may be fully informed . . ." As defined in section 2: (a) "Public agency" refers to the following: "(1) Any board, commission, department, agency, authority, or other entity, by whatever name designated, exercising a portion of the executive, administrative, or legislative power of the state." "(d)'Official action' means to: (1) receive information; (2) deliberate; (3) make recommendations; (4) establish policy; (5) make decisions; or (6) take final action." "(g) 'Final action' means a vote by the governing body on any motion, proposal, resolution, rule, regulation, ordinance, or order."

CONTINUING LEGAL EDUCATION SEMINAR REVENUE

The Civil Rights Commission offers Continuing Legal Education (CLE) seminars. Several of the attendees were employees of other state agencies. Many of those agencies paid the enrollment fee by journal voucher directly to a Civil Rights Commission account established for this purpose. Inadequate procedures were in place to track and match revenues received by journal voucher to the attendees who received credit for the seminars.

The Civil Rights Commission did not provide for our review, documentation that payment had been received for three individuals tested who received credit for CLE seminars. A journal voucher provided for one other individual tested was incorrectly prepared, and deposited into, a different Civil Rights Commission account by the individual's employing agency.

CIVIL RIGHTS COMMISSION
REVIEW COMMENTS
MARCH 31, 2007
(Continued)

Controls over the receipting, disbursing, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements, and incorrect decision making. An agency's control environment consists of the overall attitude, awareness and actions of management and the governing board or commission. This would include establishing and monitoring policies for developing and modifying accounting systems and control procedures. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 1)

Supporting documentation such as receipts, canceled checks, invoices, bills, contracts, etc., must be made available for audit to provide supporting information for the validity and accountability of monies received or disbursed. Documents must be filed in such a manner as to be readily retrievable or otherwise reasonably obtainable, upon request, during an audit. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 1)

EXTERNAL BANK ACCOUNT, ACTIVITIES, AND CONDITION OF RECORDS

The Civil Rights Commission (CRC) used an existing bank account in the Commission's name to co-host a national conference in 2006. We could not locate specific statutory authority for this agency to establish and operate a bank account outside of the Treasurer of State. We also found no statutory authority to expend public funds without the oversight of the Auditor of State.

The Civil Rights Commission paid the national conference \$1,868.75 for the lodging of three employees whose stations were less than 50 miles from the conference site. Subsistence claims were also paid for two of the employees. Travel vouchers were neither prepared nor approved for these employees to certify that the hotel charges were proper. The Civil Rights Commission did not provide written documentation of prior written approval from the Indiana Department of Administration for an exception to the rules.

The records prepared and retained for this conference as well as the internal controls over the operation of this conference were insufficient. A former Commission accountant presigned thirteen unused receipts in the receipt book utilized during the conference. Subsequent to the conference, a conference attendee provided to CRC a receipt signed by this accountant for payment of \$310 cash paid at the conference. The Civil Rights Commission did not provide evidence that these funds were deposited. Four other prenumbered receipts were missing. It is unknown due to the condition of the records if these receipts were used or voided. No voided receipts were retained.

Per Indiana Code 5-13-6-1(b): "all public funds collected by state officers, other than the treasurer of state, shall be deposited with the treasurer of state, or an approved depository selected by the treasurer of state no later than the business day following the receipt of funds."

Per Indiana Code 4-13-2-7, the Auditor of State shall: "(2) Examine every receipt, account, bill, claim, refund, and demand against the state arising from activities carried on by the agencies of the state, approve each legal, correct, and proper claim, designate the account to be charged therefore, and issue the auditor's warrant in payment thereof."

State agencies do not have authority to maintain funds outside of the Auditor of State's accounting system without specific statutory authority. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 3)

CIVIL RIGHTS COMMISSION
REVIEW COMMENTS
MARCH 31, 2007
(Continued)

Section 7-7 of FMC 2003-1, also known as the State Travel Policies and Procedures Manual, states: "(A) Except as provided below, a person is not entitled to lodging or a subsistence allowance for over-night travel if travel takes the person fifty (50) miles or less from the station or the person's home. (B) An Agency may only authorize payment of lodging and/or subsistence . . . (5) with prior written approval from the Department, unusual work assignment. (C) The Agency must make the determination in writing, and a copy must accompany the travel claim. (D) At the discretion of the Agency, over-night travel is not necessarily required just because the mileage exceeds fifty (50) miles."

Controls over the receipting, recording, and accounting for the financial activities are necessary to avoid substantial risk of invalid transactions, inaccurate records and financial statements and incorrect decision making. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 3)

IMPROPER PAYMENTS - QUANTITY PURCHASE AGREEMENT

The Civil Rights Commission (CRC) utilized a quantity purchase agreement (QPA) contract for temporary personnel services from the H.L. Yoh, LLC (Yoh). The services for one Yoh temporary employee, a former Deputy Director of the CRC, was billed and paid to Yoh at \$51 per hour while the QPA allowed maximum hourly rate was only \$24.77 for this employee. We determined that the Yoh billed and was paid by CRC \$7,573.91 in excess of the allowable hourly Attorney E7 rate. The CRC requested repayment in the amount of \$7,573.91 from Yoh which was received on October 16, 2007. (See Summary, page 19)

The services of two other Yoh temporary employees were billed and paid to Yoh at the maximum allowable Attorney E7 rate of \$24.77 per hour. However, neither Yoh nor the Indiana Clerk of Courts office could validate that these Yoh employees met the minimum contract requirement for the Attorney E7 rate of "admitted to the Indiana State Bar". We requested repayment from Yoh for the hourly rate in excess of the only other legal classification allowable by the contract, Legal Assistant 5. The total repayment due for these two Yoh employees totaled \$21,717.02 and was received on November 16, 2007. (See Summary, page 19)

The contract between the State of Indiana and the H.L. Yoh Company, LLC states: "2. Consideration – Contractor shall be paid, in arrears, at the rates commensurate with the following . . . Attorney E7 \$24.77; Legal Assistant 5 \$15.71."

25 IAC 1.1-1-16 (k) Price adjustments in quantity purchase agreements will be permitted only as follows: (1) Under the terms and conditions specified in the solicitation. (2) If the adjustment is computed by a rule, method, or formula specified in the agreement.

Each agency, department, quasi, institution or office should have internal controls in effect which provide reasonable assurance regarding the reliability of financial information and records, effectiveness and efficiency of operations, proper execution of managements' objectives, and compliance with laws and regulations. Among other things, safeguarding controls over cash and all other assets, and forms of information processing are part of an internal control system. (Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies, Chapter 1)

CIVIL RIGHTS COMMISSION
EXIT CONFERENCE

The contents of this report were discussed on December 11, 2007, with Judge Gregory K. Scott, Director; Robin Degner, Office Operations Manager; and Da Mica O'Bryant, Assistant Director for Public Education and Outreach. The official response has been made a part of this report and may be found on pages 9 through 15.

The review comment "Open Door Law – Dr. Martin Luther King, Jr., Indiana Holiday Commission" was faxed on November 28, 2007, to Judge Tanya Walton Pratt, previous Chair of the Dr. Martin Luther King, Jr., Indiana Holiday Commission. The official response has been made a part of this report and may be found on page 16.



**INDIANA
CIVIL
RIGHTS
COMMISSION**

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**OFFICIAL RESPONSE
of the
INDIANA CIVIL RIGHTS COMMISSION**

**To the Results & Comments in the
Audit for the Period Examined
April 1, 2005 to March 31, 2007**

Fixed Asset Inventory

We appreciate the information and assistance provided by the SBoA staff. We will utilize the information and your assistance in our conduct of the state's business. It would be helpful to the Commission if the State Board of Accounts (SBoA) Field Examiner will share her notes or work product to indicate or disclose the actual quantity of the noncompliance items; i.e., how many retirements were not recorded in the period examined? What period of time did those records address and were additions complete?

Corrective Action: The Indiana Civil Rights Commission's (Commission) Operations Team (the administrative unit) that includes our office manager and an accountant has initiated full compliance with the State's directives for Asset recognition, retirement and record maintenance by implementing the Asset Maintenance module of the PeopleSoft Financials Application.

"Morality cannot be legislated, but behavior can be regulated." – Dr. Martin Luther King, Jr

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Recycled Paper

The Commission has also taken steps to ensure compliance by working with the State Auditor's Project team for the Encompass implementation in preparation for the anticipated March 3, 2008 system conversion. The Commission has maintained all fixed asset additions in accordance with Indiana state policy. In addition, we will ensure asset retirements are properly accounted for with the implementation of the Asset Maintenance module of the PeopleSoft Financials Application.

Special Disbursing Officer Account

Corrective Action: In the past, the staff has reconciled the Special Disbursing Officer (SDO) operating advance and associated bank account. As of January 2008, reconciliations will be completed for the period ending January 31, 2008. Staff Reconciliations will be undertaken to ensure compliant operation of this fund; however, it should be understood that reconciliations of the SDO fund, both to the account and to the total advance, have consistently occurred in the past; but not always timely. Nonetheless, reconciliations will be completed for all periods noted as incomplete on or before January 31, 2008.

Expenditures will be held to the spending limits as established by the Procurement Division of the Department of Administration. Several of the issues duly noted on this review are anticipated to be non-existent in the next review as the state moves toward reductions and/or eliminations of this type of account with the State Auditor's implementation of Encompass.

Civil Rights Commission Meeting Minutes

Corrective Action: Commission's staff has researched this issue and confirms that no meeting of the Civil Rights Commission was held for the month of June 2006 due to the lack of a quorum. As required by statute, a meeting has been called for and set for each and every month in accord with state law. Incorrectly, the review states we failed to provide the SBoA minutes for the June 2006 meeting. That statement is incorrect. No meeting was held in June 2006; as the meeting was cancelled at the last minute as it was impossible to obtain a quorum.

The Agenda for the following meeting incorrectly indicated the Minutes for the June 2006 Meeting would be approved at the July meeting. There are no minutes for a June 2006 meeting, because the Commission did not meet in June 2006 due to the lack of a quorum. Simply stated, all minutes of meetings were provided—as requested.

As you may be aware, for quite some time the Commission has set a full year of calendared meetings and publishes those meetings for public consumption. This allows for better planning by commissioners when scheduling other meetings or anticipating travel. In the future better record keeping of postponed or cancelled meetings will occur, as outlined in schedules approved by the Oversight Committee on Public Records for inspection by the State Board of Accounts and the public. The Director will maintain a record of the materials delivered to commissioners for each meeting of the Commission for future review and information.

Open Door Law – Dr. Martin Luther King, Jr. I Holiday Commission

First, let me state that on December 14, 2007, a month ago, the Dr. Martin Luther King, Jr. Indiana Holiday Commission (Dr. King Commission) met and, with a quorum present, approved the program for the January 17, 2008 statewide Dr. King birthday celebration to be held in the State Museum. Legislative as well as lay members of the Dr. King Commission were present in sufficient number (eight) to establish a quorum. At that meeting, several resolutions were passed and the Dr. King Commission took formal action regarding several matters. Mr. Clayton Graham, the newly appointed Chair of the Dr. King Commission, presided over the meeting. The program was held as scheduled and proved to be one of the best Statewide Holiday Celebrations to date. The program included an acknowledgement of the individuals who with significant struggle were able to make the Indiana Holiday a reality. Over 1200 attended the noon program held at the Indiana State Museum along with Governor Mitch Daniels and Lt. Governor Becky Skillman.

Fortunately, this past summer, Governor Daniels exercised his executive authority and appointed a new Dr. King Commission.

The governor re-appointed Judge Tanya Walton Pratt, Bea Moten-Foster, Theron Edge and Judge Diane Boswell to the Dr. King Commission. In addition, the governor appointed several new commissioners: Clayton A. Graham, Esq., as Chair, and commissioners Mike Foster, Jorge Munoz, Darrell Ragland, and Charles Smiley. Under applicable law, four additional members were appointed by the leadership of the General Assembly, including Representative Matt Bell, Senator Jean Breaux, Representative Vanessa Summers and Senator Tom Wyss.

Regarding the reference to the Indiana Open Door Law, let me make it clear the Dr. King Commission has complied with "the letter" as well as "the spirit" of IC 4-23-24.1-6 (the Indiana Open Door Law). There have not been any claims or assertions we are aware of to indicate otherwise. Unfortunately, the heading of this portion of the comments gives the implication or an impression that there is a basis to think otherwise—while there is not. During the review no basis for such a claim has been made known to us.

As the key support agent for the Dr. King Commission, the Commission staff, under the supervisory authority of the Director, will assist the Dr. King Commission in preparing minutes for its meetings, will duly note non-quorum gatherings of the Dr. King Commission, and associated events sponsored by the Commission.

Corrective Action: It is the Commission's intent that its staff becomes a more effective agent for the Dr. King Commission. First, with the assistance of the Chair of the Dr. King Commission, we will publish a yearly calendar of meetings and events so commissioners will know meeting dates well in advance and therefore can calendar their business and personal time in a manner that will help facilitate gatherings of Dr. King Commissioners and resulting in quorums more frequently. Second, we will maintain attendance records and disclose the attendance of individual commissioners, reporting such attendance to the appropriate appointing authority for their use and information.

Additionally, any and all notices of cancellation, lack of quorum gatherings, and rescheduling of Dr. King Commission meetings will be include in the official records of the Dr. King Commission, as well as the records of our Commission, as outlined in schedules approved by the Oversight Committee on Public Records for inspection by the State Board of Accounts and the public.

Continuing Legal Education Seminar Revenue

First, it is important to note our Continuing Legal Education (CLE) seminars annually provide needed training for attorneys throughout the state, as well as our staff attorneys. Through those programs, annually, we handle funds paid to the Commission not exceeding \$10,000; in fact this year we raised less than \$8,000.00. In 2005, the total revenue raised was \$7155.00 and in 2006 and 2007 we raised \$6930.00 and \$7610.00, respectively. Those monies are paid by attorneys, paying \$30 on average, to attend the various legal update and seminar courses helpful to attorneys practicing before the Commission. The funds are held in agency accounts for future use.

Corrective Action. A shared working computer file will be created for each scheduled seminar, recording both the Professional and financial data of each participant to the event. This file will be administered by the Administrative Law Judge's assistant and will be accessible to the Director, the Administrative Law Judge (ALJ) (who schedules all CLE events); the ALJ will supervise this activity through his assistant and the Commission Training Coordinator for registering attendees.

External Bank Account, Activities, and Condition of Records

As has been done in many other states, the Commission, a state agency, agreed to host a meeting of the National Association of Human Rights Agencies (NAHRA). NAHRA is a professional association involving those engaged in human and civil rights work. The program was held in Indianapolis and attracted over 250 individuals from throughout the United States and Canada. Finally, as to discrepancies involving this program, it was the Commission staff which noted the same and promptly reported the same to state authorities, so the improper conduct was first noted and first raised by Commission staff.

Corrective Action: In the future, the Commission will coordinate events such as the NAHRA conference with the proper controlling agencies (Auditor of State, Treasurer of State, Department of Administration, etc.) to ensure all Travel and Accounting Guidelines are adhered to. We believe that due to the nature of the work assigned to certain of our employees, that an exception to the State Travel rules would have been granted. Nonetheless, in the future, however, we will work more closely with the relevant agencies and will formally seek approval of requested exceptions to state rules. In any event, the Deputy Director who supervised our efforts with respect to the NAHRA Conference will no longer be the responsible party for supervising the Commission's hosting of professional conferences. In addition, all monies received and expended will be handled in accord with the Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies. The existing account will be closed and records retained in compliance with the State's General Records and ICRC Record Retention schedules.

Improper Payments – Quantity Purchase Agreement (QPA)

Corrective Action: The Operations Unit will be implementing a pre-audit process within the workflow of accounts payable to provide for additional oversight in this area. Upon securing services from QPA Vendors, the relationship and Contractual commitments due to the Commission will not be left to the Department of Administration Procurement Division to provide oversight or compliance in the future. Recoupment of monies due the State from the vendor in question has concurred and funds have been deposited to the benefit of the State Auditor and will be used in accord with the original intent of the Federal Grant which funded the Purchase Order(s) affected by this item.

Organizational Corrective Action

In order to ensure that corrective action plans are fully developed and followed, effective immediately the Commission's Manager of Operations will report directly to the Director.

This administrative structure will ensure the expectations of the SBoA, the Commission and other state agencies are met, as well as compliance with the Accounting and Uniform Compliance Guidelines Manual for State and Quasi Agencies.

Thus, supervision of the Commission's Operations Team has been transferred from the Deputy Director to the Director of the Commission. The Commission's Manager of Operations (Manager) will now report directly to the Commission's Director and not the Deputy Director. In addition, the Manager has been instructed to review the Audit and design a detailed work plan to accomplish compliance with state rules and requirements. The plan is to include a timetable for completion of each corrective action set forth above. That written plan will be part of a report to the Director and is to be completed on or before January 30, 2008.

After a review of the Manager's report, the Director and Manager will assign specific responsibilities for the various identified tasks to members of the Operations Team, who will have line responsibilities and duties reflected in their work profiles, making their efforts in this regard subject to performance evaluation. Specific ownership and reporting requirements, with oversight responsibility with the Commission's Director will provide a more effective monitoring of our agency's financial and compliance objectives—and full compliance with state rules and regulations.

9/16/07 m. Scott

RESPONSE

It is my understanding that Gregory Scott, Executive Director of the Indiana Civil Rights Commission will also file a formal response within ten (10) days.

During the period examined, April 1, 2005 to March 31, 2007, I was the Chair of the Martin Luther King Jr. Indiana Holiday Commission. In my capacity as Chair, I called for meetings to be scheduled and presided over the meetings. I was not a "Chief Disbursing Officer" and this Commission had no independent budget.

Pursuant to statute, the Commission was to consist of fourteen (14) members; ten (10) appointed by the Governor from each of the congressional districts and four (4) members appointed by the General Assembly. At all times during the period examined, there were vacancies on the Commission. Vacancies were to be filled by the Governor and the General Assembly.

The quorum for the Commission was eight (8) members. Because we operated with several vacancies, the Commission often did not have a quorum. Commissioner's residing in congressional districts throughout the State sometimes had difficulty attending meetings in Indianapolis due to inclement weather, or other commitments. Many would participate via teleconference; however unfortunately, telephonic participation did not count for purposes of a quorum. This issue should be resolved, as the Commission currently has only one vacancy, which the general assembly must fill.

Pursuant to statute, the Civil Rights Commission furnished the necessary staff for the Commission. Staff was responsible for posting notice of the meetings, taking minutes of meetings, preparing minutes for the Chair's signature, and posting notices of meetings being cancelled or rescheduled. To my knowledge, wherever a meeting was scheduled, cancelled and/or rescheduled; notice was posted pursuant to open door laws and notice was served on all Commissioners.

I was not contacted prior to the audit and therefore I am not privy to which documents were provided to the board of accounts and are referred to in the audit report.

Submitted by Tanya Walton Pratt,
former chair of the Dr. Martin Luther King Jr. Indiana Holiday Commission

12-10-07



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May 8, 2008

Gregory Kellam Scott, Director
Indiana Civil Rights Commission
100 North Senate Avenue, RM N103
Indianapolis, IN 46204

Dear Mr. Scott:

This is in reply to your official response to our review of the Civil Rights Commission (CRC) for the period of April 1, 2005 to March 31, 2007. We wish to make some clarifications to your official response.

Special Disbursing Officer Account

CRC's official response to this review comment states: "... however, it should be understood that reconciliations of the SDO fund, both to the account and to the total advance, have consistently occurred in the past; but not always timely." The State Board of Accounts (SBOA) was not provided with evidence that SDO fund reconciliations for April through June 2005 were performed.

Civil Rights Commission Meeting Minutes

CRC's official response to this review comment states: "Incorrectly, the review states we failed to provide the SBOA minutes for the June 2006 meeting. . . . The Agenda for the following meeting incorrectly indicated the Minutes for the June 2006 Meeting would be approved at the July meeting. . . . Simply stated, all minutes of meetings were provided – as requested." Prior to CRC's official response, the SBOA was not provided with any indication that the June 2006 meeting was cancelled, despite several SBOA requests to CRC to provide the missing minutes. The June 2006 meeting minutes were not merely on an agenda but were approved by vote of a quorum of the membership at the August 25, 2006 meeting. The SBOA did not receive the August 2005 meeting minutes which were also indicated as missing. Thus, neither meeting minutes were provided to SBOA by CRC.

Open Door Law – Dr. Martin Luther King, Jr. Indiana Holiday Commission

CRC's official response to this review comment states: "Regarding the reference to the Indiana Open Door Law, let me make it clear the Dr. King Commission has complied with 'the letter' as well as 'the spirit' of IC 4-23-24.1-6 (the Indiana Open Door Law). . . . Unfortunately, the heading of this portion of the comments gives the implication or an impression that there is a basis to think otherwise – while there is not." As indicated in our review comment, the Commission performed official actions as follows: received information, deliberated, made recommendations, and made decisions concerning the 2006 and 2007 annual celebrations without any evidence of a quorum. All of the aforementioned actions are explicitly defined in IC 5-14-1.5 (the Open Door Law) as 'official actions' and are to be made only in a public meeting where a quorum has been met. Thus, the Dr. Martin Luther King, Jr. Indiana Holiday Commission did violate the Open Door Law.

We hope this clarifies our audit position. A copy of this letter will be attached to our review report and becomes a part thereof.

Sincerely,



Bruce A. Hartman, C.P.A.
State Examiner

MAH/JJ/JB

CIVIL RIGHTS COMMISSION
SUMMARY

	<u>Charges</u>	<u>Credits</u>	<u>Balance Due</u>
H.L. Yoh, LLC:			
Improper Payments - Quantity Purchase Agreement, page 7			
Personnel Did Not Meet Contract Requirement	\$ 21,717.02	\$	\$
Report of Collection 547167, November 13, 2007		21,717.02	-
Hourly Rate Paid Exceeded Contract Maximum	7,573.91		
Hourly Rate Report of Collection 544354, October 16, 2007		<u>7,573.91</u>	<u>-</u>
Totals	<u>\$ 29,290.93</u>	<u>\$ 29,290.93</u>	<u>\$ -</u>